



Stuck in the Past

In 1974, the Federal Election Campaign Act set the limit that individuals can contribute to federal candidates at **\$1000** per candidate per election. If the McCain-Feingold legislation that passed the Senate becomes law, it would raise this limit for individuals to **\$2000** per candidate per election. The chart below demonstrates that even this increase to \$2000 still would leave campaign law stuck in the past.

• What today's contribution limit would be if the \$1000 limit from 1974 were adjusted for inflation*	\$3620.69
• <i>The limit under the amended McCain-Feingold bill</i>	\$2000.00
• Year in which an adjustment to \$2000 would have fully accounted for inflation*	1982
• The real value today of the \$1000 limit set in 1974*	\$276.19
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• Cost of a first-class stamp in 1974**	\$0.08
• Cost of a first-class stamp in 2001	\$0.34
• Percent increase	325%
• <i>Percent increase of individual contribution limit in McCain-Feingold</i>	100%
• Number of one-ounce mail pieces for which a maximum contribution in 1974 could buy postage	12,500
• Number of one-ounce mail pieces for which a maximum contribution under McCain-Feingold could buy postage	5,882
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• Minimum wage in 1974**	\$2.00
• Minimum wage in 2001	\$5.15
• Percent increase	158%
• <i>Percent increase of individual contribution limit in McCain-Feingold</i>	100%
• Number of labor-hours which a maximum contribution in 1974 could buy (at minimum wage, assuming no other labor costs)	500
• Number of labor-hours which a maximum contribution under McCain-Feingold could buy (at minimum wage, assuming no other labor costs)	388



• Average cost of a primetime 30-second network TV ad in 1974***	\$30,400
• Cost per 1000 homes***	\$2.27
• Average cost of a primetime 30-second network TV ad in 2000***	\$82,300
• Cost per 1000 homes***	\$13.42
• Percent increase for ad cost	171%
• Percent increase for cost per 1000 homes	491%
• <i>Percent increase of individual contribution limit in McCain-Feingold</i>	<i>100%</i>

*Source: Federal Reserve Bank of Minneapolis, <http://woodrow.mpls.frb.fed.us/economy/calc/cpihome.html>

**Source: Robert Sahr, Political Science Department, Oregon State University,
http://www.orst.edu/dept/pol_sci/fac/sahr/sahr.htm

***Source: Television Bureau of Advertising, <http://www.tvb.org>